

## **Creditable Civilian Service**

### **CSRS**

Creditable service is Federal government employment (civilian/uniformed service) that meets the requirements for a particular type of benefit, such as, leave accrual, retirement, or reduction-in-force retention.

#### **1. Full Time**

Normally, full time credit is allowed for all time elapsing between the date of appointment and date of separation.

#### **2. Part-Time Work Schedule**

Full time credit for eligibility. (Service performed on/after 4-7-86 is prorated only for computation purposes.)

#### **3. Intermittent Work Schedule (When actually employed—WAE)**

Intermittent (WAE) time is credited only for actual days worked, based on 260-day year.

#### **4. Leave Without Pay**

Credit is given for all Leave Without Pay (LWOP) up to six months in a calendar year.

#### **5. Office Of Workers' Compensation Program (OWCP)**

All time while receiving Workers' Compensation (OWCP) benefits is fully creditable as long as the employee is eventually restored to Federal employment.

#### **6. Deposit (Nondeduction) Service**

Depends on whether service was performed before or after 10-1-82 and whether or not a deposit is paid -- may be used for retirement eligibility purposes only.

#### **7. Redeposit Service**

Creditable for eligibility but may not be creditable for computation if service ended on or after 10-01-90 and no redeposit is made.

## **Deposit/Redeposit Service**

**What is deposit service?** Deposit service is the period of service during which retirement contributions were not withheld from your salary (for example: temporary service).

**Cost of the deposit** is the amount of retirement deductions that would have been taken from your salary had you been covered by the retirement system, plus interest. If the deposit is not paid prior to final adjudication of retirement claim, then:

- If the service is prior to 10-1-82, annual annuity reduced by 10% of total deposit owed.
- If the service is on or after 10-1-82, the nondeduction service counts toward eligibility, but is not used for total creditable service for computation purposes.

**What is redeposit?** It is service in which you contributed to the retirement fund and later received a refund of those contributions.

**Cost of the redeposit** is the refund paid to you plus interest.

- If the refunded service ended before 10-1-90 and your nondisability annuity commences after 12-1-90, and you do not make a redeposit, your annuity is actuarially reduced.
- If the refunded service ended on or after 10-1-90, you must pay the redeposit to receive credit for the service in the annuity computation.

## **Interest Charged**

**CSRS deposit service and redeposit service** is subject to interest based on when the service was performed (for deposit service) or when the employee made application for the refund.

- Rate of 4% through 12-31-1947
- Rate of 3% from 1-1-1948 through 12-31-1984
- A variable interest rate thereafter, compounded annually.

### **VARIABLE INTEREST RATES**

|      |   |         |      |   |        |
|------|---|---------|------|---|--------|
| 1985 | - | 13.000% | 1994 | - | 6.250% |
| 1986 | - | 11.125% | 1995 | - | 7.000% |
| 1987 | - | 9.000%  | 1996 | - | 6.875% |
| 1988 | - | 8.375%  | 1997 | - | 6.875% |
| 1989 | - | 9.125%  | 1998 | - | 6.750% |
| 1990 | - | 8.750%  | 1999 | - | 5.750% |
| 1991 | - | 8.625%  | 2000 | - | 5.875% |
| 1992 | - | 8.125%  | 2001 | - | 6.375% |
| 1993 | - | 7.125%  | 2002 | - | 5.500% |
|      |   |         | 2003 | - |        |

**Note:** Variable rates do not apply to deposit service prior to 10-1-82, or to refunds received prior to 10-1-82. The 3% rate continues to apply. Variable rates apply to military deposits.

## **How To Compute the Actuarial Reduction for Unpaid CSRS Redeposits**

Actuarial, or reduction, factors are assigned based on your age at the time of retirement. The amount of the redeposit due, including interest, is divided by the actuarial factor. The remainder is rounded up and equals the monthly reduction in the annuity.

**Redeposit Owed  
Actuarial Factor**

**= Monthly Reduction**

### **Example:**

An employee retires in 2002, age 56, who owes \$8,500 redeposit. The employee would have a monthly reduction of \$41.66 (rounded to \$42).

$$\frac{\$8,500}{204.0} = \$41.66 \text{ or } \$42$$

### **Actuarial Factors CSRS**

| <u>AGE AT RETIREMENT</u> | <u>REDUCTION FACTOR</u> | <u>AGE AT RETIREMENT</u> | <u>REDUCTION FACTOR</u> |
|--------------------------|-------------------------|--------------------------|-------------------------|
| 40                       | 280.4                   | 66                       | 157.7                   |
| 41                       | 276.4                   | 67                       | 153.0                   |
| 42                       | 272.7                   | 68                       | 148.1                   |
| 43                       | 268.8                   | 69                       | 143.2                   |
| 44                       | 264.1                   | 70                       | 138.3                   |
| 45                       | 259.0                   | 71                       | 133.4                   |
| 46                       | 254.0                   | 72                       | 128.6                   |
| 47                       | 249.3                   | 73                       | 123.5                   |
| 48                       | 244.5                   | 74                       | 118.4                   |
| 49                       | 239.3                   | 75                       | 113.1                   |
| 50                       | 233.8                   | 76                       | 107.9                   |
| 51                       | 229.5                   | 77                       | 102.6                   |
| 52                       | 225.6                   | 78                       | 97.9                    |
| 53                       | 221.0                   | 79                       | 93.4                    |
| 54                       | 216.2                   | 80                       | 88.5                    |
| 55                       | 211.4                   | 81                       | 83.4                    |
| 56                       | 206.6                   | 82                       | 78.4                    |
| 57                       | 197.2                   | 83                       | 73.8                    |
| 58                       | 192.5                   | 84                       | 69.4                    |
| 59                       | 192.5                   | 85                       | 64.6                    |
| 60                       | 187.9                   | 86                       | 60.3                    |
| 61                       | 183.1                   | 87                       | 57.1                    |
| 62                       | 177.9                   | 88                       | 54.6                    |
| 63                       | 172.9                   | 89                       | 51.9                    |
| 64                       | 167.8                   | 90                       | 48.7                    |
| 65                       | 162.7                   |                          |                         |

# **Refund Fact Sheet**

## **Eligibility Requirements**

In order to receive a refund you must meet **all** of the following criteria:

- Be separated from the Federal government for at least 31 consecutive days OR be transferred to a position not subject to retirement deductions for at least 31 consecutive days;
- File a refund application (CSRS - SF 2802 and SF 2802B, if applicable) with the Office of Personnel Management;
- Not be reemployed in a position subject to retirement deductions at the time you file your application;
- Not be eligible to receive an immediate annuity within 31 days of separation;
- Not be prohibited from receiving a refund due to a court order; AND
- Notify your current and/or former spouse(s) of the refund request, if applicable.

It is recommended that you discuss all of the relevant facts with your servicing personnel office before making a final decision on applying for a refund. You are not required to withdraw your retirement contributions and may leave the money in the fund until you are eligible for a deferred retirement. In the event of your death, all money in the fund will be payable to your survivor as a lump sum benefit. The following topics may assist you in making your decision.

### **Refunds May Be An Advantage**

- If you have less than 5 years of civilian service (you must have 5 years to receive an annuity), and you do not intend to return to Federal employment; **or**
- If you have 5 or more years of civilian service, you do not intend to return to Federal employment, and you believe you can invest the funds so that the final value of such investments exceeds the value of the deferred annuity. (At age 62 when applying for a deferred annuity, you may provide a survivor annuity for your spouse.)

### **Refunds May Be A Disadvantage**

- If you have at least 5 years of civilian service and your deferred annuity exceeds the value of the lump sum refund.
- If you are reemployed by the Federal government and wish to receive credit for the refunded service, you may be required to make a redeposit in order to receive credit. The cost of the redeposit is equal to the refund received plus interest.
- A refund of all deductions voids any retirement options, including survivor benefits until the refund is redeposited (only for CSRS).

### **Reached A Refund Decision?**

If you decide to apply for a refund more than 30 days after your date of separation **OR** you have received notice from your payroll office that your retirement records were sent to OPM, you must forward your application directly to the appropriate OPM address listed below:

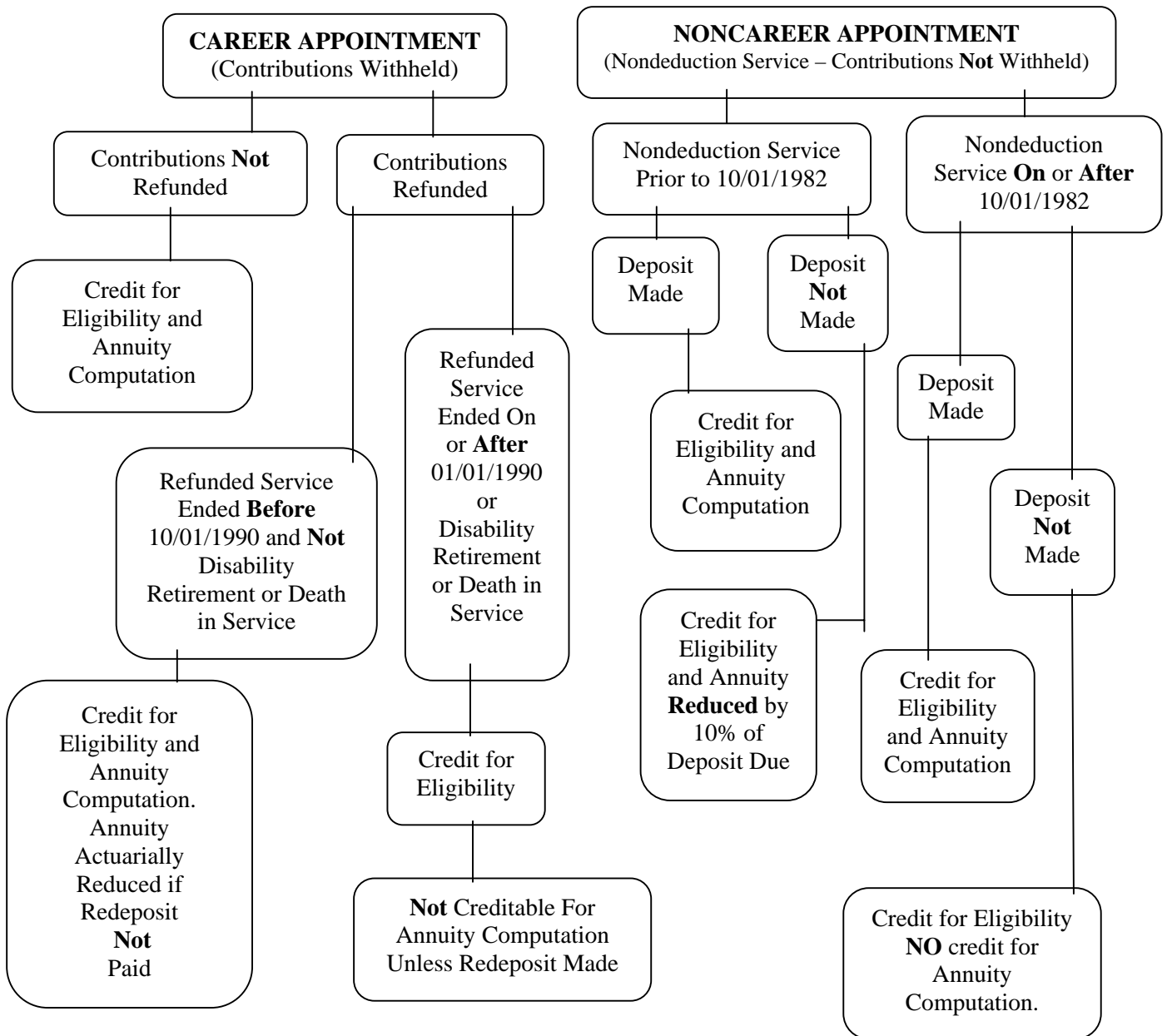
Office of Personnel Management  
Civil Service Retirement System (CSRS)  
Retirement Operations Center  
ATTN: Refunds  
Boyers, PA 16017-0045

## **Procedures for Making a Civilian Service Deposit or Redeposit**

- STEP 1** Obtain a SF 2803, Application to Make Deposit or Redeposit for Civilian Service, from your personnel office.
- STEP 2** Complete the front of the SF 2803 and return the application to your personnel office.
- STEP 3** Your agency will complete the back of the SF 2803 and certify the application. Your agency will also complete the "Agency Checklist for a CSRS Service Credit Application" (RI 36-56). Checklist and Application will be forwarded to OPM, Retirement Operations Center, Boyers, PA 16017.
- STEP 4** You may submit payments directly to OPM after receiving the official bill. The deposit may be made in a single lump sum or in installments no smaller than \$50. You may also choose to have OPM debit your checking or savings account monthly.
- STEP 5** When you make a full or partial payment, OPM will send you a receipt showing the new balance due (including updated interest or payment in full, as appropriate).

**Notes:** Payments to OPM cannot be paid through payroll deduction. Interest is applied to unpaid balance on Jan 1 of each year. OPM will accept payment in full after separation, but prior to final adjudication of retirement application. Keep copies of all your paperwork.

# Creditable Civilian Service



**Note:** Deposit may be made before or after retirement, but before final adjudication of the retirement claim. Payment is made to the Office of Personnel Management (OPM). Deposit/Redeposit application should not be sent to OPM six months prior to retirement, but forwarded with the retirement application.

# Civilian Service Credit For Post-56 Military Service

## Credit if you were first employed before 10-01-82

1. **If you are eligible for Social Security Benefits at retirement or at age 62 and:**
  - a. **Deposit paid.** Your Post-56 military service will be credited for title (eligibility for retirement) and computation of the annuity.
  - b. **No Deposit made.** Your Post-56 military service will be credited for title. If you are not eligible for Social Security at retirement, but will become eligible at age 62, your Post-56 military service will be credited for computation of your annuity until age 62. At that time the credit for Post-56 military service is eliminated. Your annuity will be recomputed by subtracting the years of Post-56 service from the total number of years of combined civilian and military service. This typically reduces the CSRS annuity by 2% for each year of Post-56 military service. For example, an employee age 55 with 30 years of combined service (4 years of which is Post-56 military service) would be eligible for retirement. However, if he/she does not make a military deposit and becomes eligible for Social Security at age 62, his/her annuity would then be recomputed and reduced by 8% (4 years X 2% = 8%). If you are eligible for Social Security at the time of retirement (normally age 62 or older), the Post-56 service will not be used in the computation of your annuity.
2. **If you will not be eligible for Social Security at 62 (or retirement, if later);** no deposit is required and you will receive full credit for Post-56 military service with no future reduction.

## Credit if you were first employed on or after 10-01-82:

Non-payment of a deposit will bar credit for both eligibility and computation purposes.

## Computation Of Deposit

The deposit equals 7% of base pay (not allowances earned during the Post-56 military service). The earliest interest begins to accrue is 10-1-86 or your 3rd anniversary of entry into a CSRS position. As with civilian deposits, variable rates of interest are assessed. No interest is charged if you pay the deposit, in full, before the first interest accrual date (IAD).

*NOTE: There are special rules if you fall under Uniformed Services Employment and Reemployment Rights Act (USERRA); that is restoration under chapter 43, Title 38.*

## Deciding Whether To Waive Military Retired Pay

**With few exceptions, receipt of military retired pay means that no military service can be credited toward retirement eligibility or used for the computation of annuity unless military retired pay is waived.**

| <b>Type of Military Retired Pay</b>  | <b>Choices</b>                          | <b>Effect on Annuity</b>  |
|--|---|---|
| <p>Awarded on account of service-connected disability which was:</p> <ol style="list-style-type: none"> <li>1. Incurred in combat with an enemy of the United States; or</li> <li>2. Caused by an instrumentality of war and incurred in the line of duty during a period of war.</li> </ol> |   | <p>The years of military service will be used in computing the CSRS annuity (subject to CSRS military deposit rules). A waiver of military retired pay is not required.</p> |
| <p>Awarded under provisions of sections 12731 through 12739 of chapter 1223, title 10, U.S. Code which grants retired pay to members of reserve components who meet age and service requirements.</p>  |   | <p>The years of military service will be used in computing the CSRS annuity (subject to CSRS military deposit rules). A waiver of military retired pay is not required.</p> |
| <p>Other types of military retired pay.</p>  | <p>Waiving military retired pay</p>     | <p>All creditable military service will be used in computing CSRS annuity (subject to CSRS military deposit rules).</p>   |
|  | <p>Not waiving military retired pay</p> | <p>Any military service used to compute military retired pay will not be used to compute the CSRS annuity.</p>  |



## ESTIMATED EARNINGS DURING MILITARY SERVICE

INSTRUCTIONS: Use a separate RI 20-97 for each branch of service. Attach DD214 or equivalent and any available records of pay or promotions. If you do not have a DD214 or equivalent, obtain a SF 180 from your personnel office and have your service verified before forwarding this form to the pay center. The pay center cannot provide estimated earnings unless verification of service is attached.

To:

|                                     |               |
|-------------------------------------|---------------|
| Employee name (Last, First, Middle) |               |
| Other names used                    |               |
| Social Security Number              | Date of birth |
| All military service numbers        |               |
| Branch of Service                   |               |

The uniformed services must provide estimated basic pay by Federal employees for military service after December 31, 1956, for the purpose of making a deposit to the Civil Service Retirement and Disability Fund for retirement credit. Please provide the estimated basic pay earned by the above named employee.

|  |                  |   |                  |  |          |                   |
|--|------------------|---|------------------|--|----------|-------------------|
| Signature of requester   |                  | Relationship to employee<br><input type="checkbox"/> Employee is requester<br><input type="checkbox"/> Other (Specify)<br><input type="checkbox"/> Survivor |                  | Date   |          |                   |
| Active military service after December 31, 1956<br>(Dates indicated below must be based on DD 214 or equivalent certification) |                  |   |                  | TO BE COMPLETED BY AUTHORIZED OFFICIAL<br>Estimated Earnings (Base Pay)<br>(Do not provide estimated earnings for any period of service prior to January 1, 1957.) |          |                   |
| From<br>(Mo,Dy,Yr)   | To<br>(Mo,Dy,Yr) | From<br>(Mo,Dy,Yr)  | To<br>(Mo,Dy,Yr) | Rate of Basic<br>Pay   | Earnings | Type of Discharge |
|  |                  |   |                  |  |          |                   |
|  |                  |   |                  |  |          |                   |
|  |                  |   |                  |  |          |                   |
|  |                  |   |                  |  |          |                   |
| 1. If period of service began before and ended after December 31, 1956, enter date service actually began. (Mo,Dy,Yr)          |                  | 1. Lost time<br><input type="checkbox"/> None <input type="checkbox"/> Number of days _____<br><br><input type="checkbox"/> Inclusive dates                 |                  |  |          |                   |
| Signature of authorized official furnishing estimate   |                  | Date(Mo,Dy,Yr)  |                  | Telephone number (Including Area Code)   |          |                   |
| Typed name of authorized official  |                  | Title of authorized official  |                  |  |          |                   |

Requester's name and address

|  |
|--|
|  |
|  |
|  |
|  |



|                               |
|-------------------------------|
| Return<br>Complete<br>Form to |
|-------------------------------|

RI 20-97

## **REQUEST FOR EARNINGS DURING MILITARY SERVICE**

Attach a DD 214 or equivalent and any available records of pay or promotions to the Request for Earnings during Military Service form. If you do not have a DD 214 or equivalent, get an SF 180 from your personnel office and have your service verified before forwarding the request form to the pay center. The pay center cannot provide estimated earnings unless verification of service is attached. Send or FAX the Request for Earnings during Military Service to the appropriate address/FAX number shown below:

### **Army**

**DFAS-IN  
ATTN: DFAS-IN/TJMA  
8899 East 56th Street  
Indianapolis, IN 46249-0875  
Phone: (317) 510-2800 or 1-888-729-2769  
FAX: (317) 510 5575**

### **Navy**

**DFAS-Cleveland Center  
ATTN: PMMACB  
1240 East 9th Street  
Cleveland, OH 44199-2055  
Phone: (216) 522-6545  
FAX: (216) 522-6924**

### **Air Force**

**DFAS-PMJYB-DE  
6760 East Irvington Place  
Denver, CO 80279-3000  
Phone: (303) 676-7408  
FAX: (303) 676-6218**

### **Marine Corps**

**DFAS-KC  
Code - PMCRAF  
1500 E. 95th Street  
Kansas City, MO 64197-0001  
Phone: (816) 926-7652  
FAX: (816) 926-3129**

### **Coast Guard**

**Commanding Officer (SES)  
Coast Guard Human Resource Services  
Information Center  
444 S.E. Quincy Street  
Topeka, KS 66683-3591  
Phone: (785) 339-3552  
FAX: (785) 339-3784**

### **Public Health Service**

**Public Health Service  
Division of Commissioned Personnel  
Compensation Branch  
Parklawn Building, Room 4-50  
5600 Fisher's Lane  
Rockville, MD 20857  
Phone: (301) 443-0064  
FAX: (301) 594-2711**

### **National Oceanic and Atmospheric Administration**

**National Oceanic and Atmospheric Adm.  
Department of Commerce  
Commissioned Personnel Office  
11400 Rockville Pike, Room 105  
Rockville, MD 20852**

# Procedures for Making a Military Service Deposit

- STEP 1** Obtain a RI 20-97, Estimated Earnings During Military Service, from your personnel office or use a copy from this handbook.
- STEP 2** Complete the RI 20-97, attach your DD 214(s) and send to the appropriate military finance center. Address/phone/fax numbers are also included in this handbook.
- STEP 3** When you have received your estimated military earnings, complete an SF 2803, Application to Make Deposit or Redeposit for Civilian Service. You should complete the front of the form and submit it to your personnel office.
- STEP 4** Your agency will complete the back of the SF 2803 and certify the application. The SF 2803 and RI 20-97 will be forwarded to your servicing Defense Finance & Accounting Service (DFAS). DFAS will calculate the amount of your military deposit and inform you by letter the amount you owe.
- STEP 5** Make your payments directly to DFAS, either by check/money order, or through payroll deductions. The deposit may be made in a single lump sum payment or through installments. Your deposit account balance and each payment will be reflected on your Leave & Earnings Statement.
- STEP 6** When you have completed your military deposit, DFAS will send you a letter stating that the deposit has been paid in full. You should forward a copy of this letter to your personnel office to be placed in your Official Personnel Folder.

**Notes:** Military deposits must be paid prior to separation from Federal service. Be aware of your interest accrual date. Official documentation that you completed your military deposit will be annotated on the Individual Retirement Record (SF 2806), which will be forwarded from DFAS to OPM upon your separation. Keep copies of all your paperwork.